

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII**

Docket No. 2009-0108

PUBLIC UTILITIES
COMMISSION

2009 NOV 25 A 10:12

FILED

**RESPONSES TO INFORMATION REQUESTS
AND CERTIFICATE OF SERVICE OF
JW MARRIOTT IHILANI RESORT & SPA,
WAIKOLOA MARRIOTT BEACH RESORT & SPA,
MAUI OCEAN CLUB, WAILEA MARRIOTT, AND
ESSEX HOUSE CONDOMINIUM CORPORATION
ON BEHALF OF KAUAI MARRIOTT RESORT & BEACH CLUB**

By their attorney:

Thomas C. Gorak

Gorak & Bay, L.L.C.
1161 Ikena Circle
Honolulu, HI 96821
(808)377-3408
GorakandBay@hawaii.rr.com

Dated: November 25, 2009

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII**

----In the Matter of----)	
)	
PUBLIC UTILITIES COMMISSION)	
)	
Instituting a Proceeding to)	Docket No. 2009-0108
Investigate Proposed Amendments)	
To the Framework for Integrated)	
Resource Planning.)	
)	
)	
)	
<hr/>)	

**RESPONSES TO INFORMATION REQUESTS
AND CERTIFICATE OF SERVICE OF
JW MARRIOTT IHLANI RESORT & SPA,
WAIKOLOA MARRIOTT BEACH RESORT & SPA,
MAUI OCEAN CLUB, WAILEA MARRIOTT, AND
ESSEX HOUSE CONDOMINIUM CORPORATION,
ON BEHALF OF KAUAI MARRIOTT RESORT & BEACH CLUB**

Pursuant to the procedural schedule in this proceeding, the JW Marriott Ihilani Resort & Spa, Waikoloa Marriott Beach Resort & Spa, Maui Ocean Club, Wailea Marriott, And Essex House Condominium Corporation, on behalf of Kauai Marriott Resort & Beach Club (herein referred to jointly as the "Marriotts") hereby submit their responses to the various information requests transmitted to them on November 10, 2009.

HAWAIIAN ELECTRIC COMPANIES' INFORMATION REQUEST

HECO/Marriotts-IR-1

Ref: NRRI Comments – III. Who Are the Appropriate Participants in a CESP Process

On page 10, NRRI envisions many participants in the CESP process and states “With this diversity of participants, a neutral facilitator seems necessary.” If the HECO Companies were to propose in the CESP Framework that the CESP process would have a neutral facilitator (similar to the role of an Independent Observer under the Framework for Competitive Bidding) leading all Advisory Committee meetings, public hearings, and observing the utilities’ technical analyses, would that be an acceptable means for addressing the concerns over public participation and transparency in the CESP process?

Marriotts' Response:

While the Marriotts are not opposed to the use of a neutral facilitator in concept, they also recognize that the “devil is in the details” – a number of issues would be raised if a neutral facilitator is to be utilized, including how such a facilitator would be selected and reimbursed.

The Marriotts do not agree that a neutral facilitator would replace the need for including diverse participants in any group. Stated differently, use of a neutral facilitator if approved by the Commission would be in addition to, and not in place of, the other recommendations of the Marriotts.

HAWAII RENEWABLE ENERGY ALLIANCE INFORMATION REQUEST

HREA-IR-1. In its Preliminary Statement of Position (“PSOP”), HREA proposed a set of governing principles that were broken down into the three following categories: overall, resource selection and acquisition, and IRP process. These proposed principles are listed below without the explanatory text that was included in our PSOP, and edited for clarity:

- **Overall IRP Goals are to:**
 - Meet forecasted electrical energy demand (MW, MWHs) via demand- and supply-side resources over the IRP period.
 - Identify and meet state energy objectives, and comport with state and county environmental, health, and safety laws by formally adopting state and county plans.
 - Maintain and enhance electrical system reliability, safety and security to facilitate state energy objectives and policies.
- **Resource Acquisition and Operation to:**
 - Establish and maintain a “no regrets policy” for resource acquisition, e.g., energy efficiency, conservation, renewables and storage.
 - Phase out conventional fossil facilities.
 - Establish and maintain preferred acquisition methods, e.g., net metering, feed-in tariffs, competitive bidding and non-bid contracts.
 - Prioritize implementation of distribution generation over central generation.
 - Design, modify, and operate the utility system to maximize the use of clean energy resources.
 - Mitigate power outages after catastrophic events.
- **IRP Process will include:**
 - Ongoing, open, transparent, efficient and nimble.
 - Clear definition of roles, responsibilities and legal standing of all IRP participants.
 - A basic plan for a period of 20 years with an action plan of five or more years, annual reviews and flexible periods for major revisions every three to five years.
 - One plan for each island utility and an overall plan for the island chain.
 - Incorporation of appropriate analytical methodologies, such as discounted lifecycle analysis and clean energy scenario planning.
 - Consideration of the plans' impacts upon the utility's consumers, the environment, local culture, community lifestyles, the State's economy, and society in general.
 - All Parties' recovery of a portion up to all costs of their participation in IRP.

That said, do the Parties support the governing principles as proposed above? Given that HREA is seeking to establish the level of support for each of the principles, please respond with detail as to:

1. Those principles that can be supported (with or without comments), and
2. Those principles that cannot be supported (with comments).

Finally, the Parties are asked to suggest additional principles, as appropriate, with supporting comments.

Marriotts' Response:

The Marriotts' will respond to each of the statements set forth in this data request below.

However, there are several caveats to this response.

First, the Marriotts' response is to each statement taken at face value, not as discussed in HREA's Preliminary SOP or as interpreted by HREA.

Second, the fact that the Marriotts support, do not support, or do not take a position with respect to a particular statement does not mean that the Marriotts support or object to any position taken by HREA in its Preliminary SOP.

Third, the responses here are limited to the issues to be addressed in this docket relating to the modifications of the existing IRP and the development of a CESP Framework.

Fourth, the Marriotts submit that many of the statements are overbroad and do not lend themselves to simple statements of support or non-support.

Fifth, HREA's information request refers to the IRP. The issues in this proceeding, as set forth by the Commission, are as follows:

1. What are the objectives of CESP and how do they differ from the objectives of IRP?
2. What is the basis for each of the proposed changes to the IRP process, and are these changes reasonable and in the public interest?

3. Whether the proposed changes to the IRP process should include changes to reflect differences between electric cooperatives and investor owned utilities?
4. What should be the role of the state's public benefits fee administrator?

As set forth in the Marriotts' preliminary SOP, among other things, the Commission order initiating this investigation is designed to "review and establish" a "Clean Energy Scenario Planning Framework ("CESP Framework") that "revises the previous IRP Framework and proposes a planning process to develop generation and transmission resource plan options for multiple 20-year planning scenarios . . . [and] the development of a 5-year Action Plan based on the range of resource needs identified through the various scenarios analyzed." The Marriotts view the CESP Framework as a logical extension of the existing IRP Framework. Assuming adoption of each of the modifications proposed by the Marriotts, the Marriotts can support the CESP Framework as a viable successor to the IRP Framework. The Marriotts responses below are consistent with this position.

- Overall IRP Goals are to:
 - Meet forecasted electrical energy demand (MW, MWHs) via demand- and supply-side resources over the IRP period.
 - Marriotts' Response: The question refers to IRP goals, rather than to goals of CESP. Without a clear definition of demand- and supply-side resources , it is difficult to support this statement. As a general proposition, the Marriotts believe that one goal of CESP is to meet forecasted electric energy demand consistent with applicable statutes, regulations and orders, and that the same goal is addressed by the 1992 IRP.

- Identify and meet state energy objectives, and comport with state and county environmental, health, and safety laws by formally adopting state and county plans.
- Marriotts' Response: The phrase “by formally adopting state and county plans” is unclear. As a general proposition, the Marriotts believe that any modification of the IRP or development of a CESP should be consistent with applicable statutes, regulations, and orders.
- Maintain and enhance electrical system reliability, safety and security to facilitate state energy objectives and policies.
- Marriotts' Response: As a general proposition, the Marriotts support the statement that electric system reliability should be maintained and enhanced if and as necessary, and further believe that any modification of the IRP or development of a CESP should be consistent with applicable statutes, regulations, and orders.
- Resource Acquisition and Operation to:
 - Establish and maintain a “no regrets policy” for resource acquisition, e.g., energy efficiency, conservation, renewables and storage.
 - Marriotts' Response: The Marriotts do not support this statement as it overbroad and the term “no regrets policy” is undefined.
 - Phase out conventional fossil facilities.
 - Marriotts' Response: The Marriotts do not support this statement as it is overbroad and does not state how the phase out would or should be accomplished.
 - Establish and maintain preferred acquisition methods, e.g., net metering, feed-in tariffs, competitive bidding and non-bid contracts.
 - Marriotts' Response: These issues are being considered in other dockets and forums. The Marriotts do not support specifically addressing them within

any modification of the IRP or development of a CESP, but believe that Commission orders and any other applicable statutes, regulations and orders with respect to these issues should be considered in developing planning scenarios.

- Prioritize implementation of distribution generation over central generation.
- Marriotts' Response: The Marriotts' generally support policies that promote the use of DG/CHP by individual entities. The Marriotts take no general position with respect to whether a utility should prioritize implementation of distribution generation over central generation as any such decision would be heavily dependent on the facts.
- Design, modify, and operate the utility system to maximize the use of clean energy resources.
- Marriotts' Response: The Marriotts submit that this statement is overbroad and therefore do not support it. There are obviously many factors that go into determining the appropriate use of clean energy resources *vis-à-vis* existing generation.
- Mitigate power outages after catastrophic events.
- Marriotts' Response: The Marriotts support this statement as a general proposition, but note that restoring power after such events is a massive and complex undertaking.

- IRP Process will include:
 - Ongoing, open, transparent, efficient and nimble.
 - Marriotts' Response: The Marriotts support the proposition that the process should be ongoing, open, timely, and transparent, and that it should be consistent with applicable statutes, regulations, and orders.
 - Clear definition of roles, responsibilities and legal standing of all IRP participants.
 - Marriotts' Response: The Marriotts support the statement with respect to defining the roles and responsibilities of all IRP and CESP participants. The legal standing of any participant is subject to the legal standards applicable to that participant's standing.
 - A basic plan for a period of 20 years with an action plan of five or more years, annual reviews and flexible periods for major revisions every three to five years.
 - Marriotts' Response: In this investigation, the Commission has directed the parties to develop generation and transmission resource plan options for multiple 20-year planning scenarios and the development of a 5-year Action Plan based on the range of resource needs identified through the various scenarios analyzed.
 - One plan for each island utility and an overall plan for the island chain.
 - Marriotts' Response: The Marriotts do not support this statement as written as it is overbroad and ill-defined. While "one plan" may have been appropriate under the IRP, several planning scenarios are envisioned in the CESP process. Whether or not an overall plan for the island chain is appropriate is a matter for further investigation prior to making a conclusion.

- Incorporation of appropriate analytical methodologies, such as discounted lifecycle analysis and clean energy scenario planning.
- Marriotts' Response: The Marriotts support a general statement that appropriate methodologies should be utilized in developing energy scenarios under either a modified IRP or a CESP.
- Consideration of the plans' impacts upon the utility's consumers, the environment, local culture, community lifestyles, the State's economy, and society in general.
- Marriotts' Response: The Marriotts believe that this statement is overbroad. The Marriotts generally support a statement that impacts on these elements and entities, circumscribed by applicable statutes, regulations, and orders, should be considered as appropriate during an IRP or CESP process.
- All Parties' recovery of a portion up to all costs of their participation in IRP.
- Marriotts' Response: The Marriotts do not support this statement. Recovery of costs of participation is governed by applicable statutes, regulations, and orders.

Additional principles can be found in the Marriotts' Preliminary Statement of Position filed on November 10, 2009, in these proceedings.

(continued for signature)

Respectfully Submitted,

**JW MARRIOTT IHILANI RESORT & SPA,
WAIKOLOA MARRIOTT BEACH RESORT & SPA,
MAUI OCEAN CLUB, WAILEA MARRIOTT, AND
ESSEX HOUSE CONDOMINIUM CORPORATION,
ON BEHALF OF
KAUAI MARRIOTT RESORT & BEACH CLUB**

A handwritten signature in black ink, appearing to read "Thomas C. Gorak", written over a horizontal line.

Thomas C. Gorak
Hawaii Bar No. 007673

Gorak & Bay, L.L.C.
1161 Ikena Circle
Honolulu, HI 96821
(808)377-3408
GorakandBay@hawaii.rr.com

Dated: November 25, 2009

CERTIFICATE OF SERVICE

I hereby certify that on this day I have served a copy of the foregoing "Preliminary Statement Of Position And Preliminary Proposed Modifications To The Proposed CESP Framework And Certificate Of Service Of JW Marriott Ihilani Resort & Spa, Waikoloa Marriott Beach Resort & Spa, Maui Ocean Club, Wailea Marriott And Essex House Condominium Corporation, on behalf of Kauai Marriott Resort & Beach Club," by e-mailing one electronic copy of same to each of the following (unless otherwise indicated):

CATHERINE P. AWAKUNI
Executive Director
Dept. of Commerce & Consumer Affairs
Division of Consumer Advocacy
P.O. Box 541
Honolulu, Hawaii 96809
(two copies by hand delivery)

THOMAS W. WILLIAMS, JR.
PETER Y. KIKUTA
DAMON SCHMIDT
Goodsill Anderson Quinn Stifel LLC
1099 Alakea Street, Suite 1800
Honolulu, Hawaii 96813

DARCY L. ENDO, VICE PRESIDENT
GOVERNMENT AND COMMUNITY AFFAIRS
HAWAIIAN ELECTRIC COMPANY, INC.
P.O. Box 2750
Honolulu, HI 96840-0001

DEAN MATSUURA, MANAGER
REGULATORY AFFAIRS
HAWAIIAN ELECTRIC COMPANY, INC.
P.O. Box 2750
Honolulu, HI 96840-0001

JAY IGNACIO, PRESIDENT
HAWAII ELECTRIC LIGHT COMPANY, INC
P. O. Box 1027
Hilo, HI 96721-1027

EDWARD L. REINHARDT, PRESIDENT
MAUI ELECTRIC COMPANY, LTD.
P. O. Box 398
Kahului, HI 96732

RANDALL J. HEE, P.E.
TIMOTHY BLUME
Kauai Island Utility Cooperative
4463 Pahe'e Street, Suite 1
Lihue, Hawaii 96766-2000

KENT D. MORIHARA, ESQ.
KRIS N. NAKAGAWA, ESQ.
DANA O. VIOLA, ESQ.
SANDRA L. WILHIDE, ESQ.
Mori-hara Lau & Fong LLP
841 Bishop Street, Suite 400
Honolulu, Hawaii 96813

JEFFREY M. KISSEL, PRESIDENT & CEO
THE GAS COMPANY, LLC
745 Fort Street, 18th Floor
Honolulu, HI 96813

GEORGE T. AOKI, ESQ.
THE GAS COMPANY, LLC
745 Fort Street, 18th Floor
Honolulu, HI 96813

MARK J. BENNETT, ESQ.
DEBORAH DAY EMERSON, ESQ.
GREGG J. KINKLEY, ESQ.
State of Hawaii
Department of the Attorney General
425 Queen Street
Honolulu, Hawaii 96813

ESTRELLA A. SEESE
THEODORE A. PECK
State of Hawaii
Hawaii State Energy Office
Department of Business, Economic Development
and Tourism
P.O. Box 2359
Honolulu, Hawaii 96804
(one copy by first class mail)

ALFRED B. CASTILLO, JR., ESQ.
AMY I. ESAKI, ESQ.
MONA W. CLARK, ESQ.
County of Kauai
Office of the County Attorney
4444 Rice Street, Suite 220
Lihue, Hawaii 96766-1300

GLENN SATO
County of Kauai
Office of Economic Development
4444 Rice Street, Suite 200
Lihue, Hawaii 96766

BRIAN T. MOTO, ESQ.
MICHAEL J. HOPPER, ESQ.
County of Maui
Department of the Corporation Counsel
200 South High Street
Wailuku, Hawaii 96793

LINCOLN S.T. ASHIDA, ESQ.
WILLIAM V. BRILHANTE, JR., ESQ.
MICHAEL J. UDOVIC, ESQ.
County of Hawaii
Office of the Corporation Counsel
101 Aupuni Street, Suite 325
Hilo, Hawaii 96720

HENRY Q. CURTIS
Vice President for Consumer Issues
Life of the Land
76 North King Street, Suite 203
Honolulu, Hawaii 96817

CARL FREEDMAN
Haiku Design & Analysis
4234 Hana Highway
Haiku, Hawaii 96708

WARREN S. BOLLMEIER II
President
Hawaii Renewable Energy Alliance
46-040 Konane Place, #3816
Kaneohe, Hawaii 96744

MARK DUDA
President
Hawaii Solar Energy Association
P.O. Box 37070
Honolulu, Hawaii 96837

ISAAC H. MORIWAKE, ESQ.
DAVID L. HENKIN, ESQ.
EARTHJUSTICE
223 South King Street, Suite 400
Honolulu, Hawaii 96813-4501

TYRONE CROCKWELL
Area Director of Engineering
JW Marriott Ihilani Resort & Spa
92-1001 Olani Street
Ko Olina, Hawaii 96707

DOUGLAS A. CODIGA, ESQ.
Schlack Ito Lockwood Piper & Elkind
Topa Financial Center
745 Fort Street, Suite 1500
Honolulu, Hawaii 96813

DEAN T. YAMAMOTO, ESQ.
SCOTT W. SETTLE, ESQ.
JODI SHIN YAMAMOTO, ESQ.
DUKE T. OISHI, ESQ.
Yamamoto & Settle
700 Bishop Street, Suite 200
Honolulu, Hawaii 96813

Dated: Honolulu, Hawaii, November 25, 2009.



Thomas C. Gorak
Hawaii Bar No. 0007673

Gorak & Bay, L.L.C.
1161 Ikena Circle
Honolulu, HI 96821
808-377-3408
GorakandBay@hawaii.rr.com

GORAK & BAY, L.L.C.
A LIMITED LIABILITY LAW CORPORATION

1161 IKENA CIRCLE
HONOLULU, HI 96821

Telephone & Facsimile:
(808) 377-3408
GorakandBay@hawaii.rr.com

THOMAS C. GORAK
ADMITTED IN HAWAII
MARYLAND & DISTRICT OF COLUMBIA

OF COUNSEL
TERESA M. BAY
ADMITTED ONLY IN
MARYLAND & DISTRICT OF COLUMBIA

November 25, 2009

Chairman and Commissioners
Public Utilities Commission
of the State of Hawaii
465 South King Street
First Floor
Honolulu, HI 96813

FILED
2009 NOV 25 A 10:12
PUBLIC UTILITIES
COMMISSION

Re: **Docket No. 2009-0108, In the Matter of, Public Utilities
Commission, Instituting a Proceeding to Investigate
Proposed Amendments To the Framework for
Integrated Resource Planning.**

Dear Chairman and Commissioners:

Enclosed for filing on this date in the above-captioned docket are the original and eight copies of the "Responses To Information Requests And Certificate Of Service Of JW Marriott Ihilani Resort & Spa, Waikoloa Marriott Beach Resort & Spa, Maui Ocean Club, Wailea Marriott And Essex House Condominium Corporation, on behalf of Kauai Marriott Resort & Beach Club." Kindly receipt stamp the additional copies and return them to the messenger.

Should you have any questions, please do not hesitate to contact me at (808) 377-3408. Thank you for your attention to this matter

Sincerely,



Thomas C. Gorak

Enclosures